UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

FERNANDA GARBER, MARC LERNER, DEREK RASMUSSEN, ROBERT SILVER, GARRETT TRAUB, and PETER HERMAN, representing themselves and all others similarly))))
situated,) 12-cv-3704 (SAS)
Plaintiffs,) ECF Case
V.) <u>Electronically</u>) <u>Filed</u>
OFFICE OF THE COMMISSIONER OF BASEBALL, et al.,)))
Defendants.)))

REPLY MEMORANDUM OF LAW IN SUPPORT OF JOINT MOTION BY THE MLB DEFENDANTS, THE YANKEES AND YES TO STAY THIS ACTION

The MLB Defendants,¹ along with New York Yankees Partnership ("Yankees") and Yankees Entertainment and Sports Network, LLC ("YES"), respectfully submit this reply memorandum of law in further support of their joint motion to stay pending the Supreme Court's ruling in *American Express Co. v. Italian Colors Restaurant*, No. 12-133, 133 S. Ct. 594 (U.S. Nov. 9, 2012) ("*AMEX III*").

ARGUMENT

As the MLB Defendants, the Yankees, and YES demonstrated in their moving papers, the Supreme Court's decision in *AMEX III* has implications for the entire case.

¹ The MLB Defendants are Office of the Commissioner of Baseball, Major League Baseball Enterprises, Inc., MLB Advanced Media, L.P., MLB Advanced Media, Inc., Athletics Investment Group LLC, The Baseball Club of Seattle, LLLP, Chicago White Sox, Ltd., Colorado Rockies Baseball Club, Ltd., The Phillies, Pittsburgh Baseball, Inc., San Francisco Baseball Associates, L.P., and Chicago Cubs Baseball Club, LLC.

Therefore, to the extent that claims against DirecTV and Comcast are stayed to protect their arbitration rights, the stay should extend equally to the claims against the MLB Defendants, the Yankees, and YES.

In their opposition, Plaintiffs argue that a stay is inappropriate because, in their view, all Defendants would continue to be involved in the case even if certain claims are compelled to be arbitrated in the wake of a decision in AMEX III. As a threshold matter, Plaintiffs' calculus as to how many Plaintiffs may be directly affected by AMEX III improperly conflates this case and the *Laumann* case and ignores that all three Plaintiffs in this case either are or may be subject to arbitration and class waiver provisions. More fundamentally, Plaintiffs' argument shows why a stay is appropriate. Plaintiffs confirm that they are alleging an essentially complete factual and legal integration of claims against all Defendants in this action, claims that (Plaintiffs allege) arise from a common set of "conspiracies" allegedly encompassing both television and internet packages. Plaintiffs do not dispute (or even address) the case law holding that it is precisely in such circumstances that courts appropriately extend a stay of claims against one or more Defendants pending arbitration to the interrelated claims against any non-arbitrating Defendants. See MLB/Yankees/YES Mem. at 2 (citing cases). Therefore, because AMEX III potentially impacts the claims against all Defendants in this action, any stay granted to protect Comcast and DirecTV pending the AMEX III decision should extend to the claims against the MLB Defendants, the Yankees, and YES.

Dated: January 28, 2013 Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on January 28, 2013, I caused the foregoing to be electronically filed with the Clerk of the Court for the United States District Court for the Southern District of New York by using the CM/ECF system.

I certify that all participants in this case are registered CM/ECF users and that service will be accomplished by the CM/ECF system.

/s/ Jennifer R. Scullion

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